A. Michael Covino (AC 4352) BUDD LARNER, P.C. 150 John F. Kennedy Parkway Short Hills, New Jersey 07078 (973) 379-4800 Attorneys for Defendants Arthur Kupperman and PGB International, Inc.

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

MERRILL LYNCH BUSINESS

FINANCIAL SERVICES, INC., : Civil Action No. 06-Civ-4802(DMC)

Plaintiff, :

vs.

: PGB INTERNATIONAL, LLC'S RESPONSE ARTHUR KUPPERMAN, E. ROSS : TO JP MORGAN CHASE'S LOCAL CIVIL BROWNE, PAULETTE KRELMAN : RULE 56.1 STATEMENT OF MATERIAL and PGB INTERNATIONAL, LLC, : FACTS AND THEIR OWN STATEMENT OF

: UNDISPUTED MATERIAL FACTS

Defendants. :

Pursuant to L.Civ.R. 56.1, Defendants PGB International LLC ("PGB") submits this Response to JP Morgan Chase's Statement of Undisputed Material Facts in opposition to JP Morgan Chase's cross-motion for partial summary judgment:

- PGB denies knowledge or information sufficient to form 1. a belief as to the statements contained in paragraph
- 2. PGB refers to the relevant documents for the contents
- PGB refers to the relevant documents for the contents 3. thereof.
- PGB refers to the relevant documents for the contents 4. thereof.

- 5. PGB refers to the relevant documents for the contents thereof.
- 6. PGB refers to the relevant documents for the contents thereof.
- 7. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 7.
- 8. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 8.
- 9. PGB refers to the relevant documents for the contents thereof.
- 10. PGB refers to the relevant documents for the contents thereof.
- 11. PGB refers to the relevant documents for the contents thereof.
- 12. PGB refers to the relevant documents for the contents thereof.
- 13. PGB refers to the relevant documents for the contents thereof.
- 14. PGB refers to the relevant documents for the contents thereof.
- 15. PGB refers to the relevant documents for the contents thereof.
- 16. PGB refers to the relevant documents for the contents thereof.
- 17. PGB refers to the relevant documents for the contents thereof.
- 18. PGB refers to the relevant documents for the contents thereof.

- 19. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 19.
- 20. PGB refers to the relevant documents for the contents thereof.
- 21. PGB refers to the relevant documents for the contents thereof.
- 22. PGB refers to the relevant documents for the contents thereof.
- 23. PGB refers to the relevant documents for the contents thereof.
- 24. PGB refers to the relevant documents for the contents thereof.
- 25. PGB refers to the relevant documents for the contents thereof.
- 26. PGB refers to the relevant documents for the contents thereof.
- 27. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 27.
- 28. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 28.
- 29. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 29.
- 30. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 30.
- 31. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 31.

- 32. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 32.
- 33. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 33.
- 34. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 34.
- 35. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 35.
- 36. PGB refers to the relevant documents for the contents thereof.
- 37. PGB refers to the relevant documents for the contents thereof.
- 38. PGB refers to the relevant documents for the contents thereof.
- 39. PGB denies knowledge or information sufficient to form a belief as to the statements contained in paragraph 39.
- 40. PGB admits this statement.
- 41. PGB refers to the relevant documents for the contents thereof.
- 42. PGB refers to the relevant documents for the contents thereof.
- 43. PGB refers to the relevant documents for the contents thereof.

44. PGB refers to the relevant documents for the contents thereof.

A. Michael Covino

Dated: December 26, 2006

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